

Interagency Committee For Outdoor Recreation

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Salmon Recovery Funding Board

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STATE OF WASHINGTON

OFFICE OF THE INTERAGENCY COMMITTEE

1111 Washington Street SE
PO Box 40917
Olympia, WA 98504-0917

March 18, 2004

TO: IAC Members and Designees

FROM: Laura E. Johnson, Director

SUBJECT: Thurston County ORV Sports Park
Notebook Item #10

Introduction:

Thurston County operates one of three publicly owned ORV sports parks in the state. The other two facilities are located in Spokane County (owned by Spokane County and operated by a private vendor), and the Tri-Cities area (owned and operated by the City of Richland). These sports parks offer recreational opportunities in a structured, track environment for motocross, 4X4s, and other off-road vehicles.

Thurston County has operated the ORV sports park at a facility west of Olympia since the late 1970s. In 2002, the Thurston County ORV Park received approximately 33,000 user visits. Funding for this park has come from NOVA Program maintenance and operation (M&O) grants, NOVA Program capital grants, and fees and revenues generated by the users and events at the park. This funding has not, however, always covered the level of management desired by the County, nor the costs associated with law enforcement, medical response, legal challenges, and other county management services.

In 2002 Thurston County closed the park citing a need to maintain and improve parks that benefited local citizens. The decision also seems to have been driven by liability concerns following the deaths of two individuals at the ORV Park.

At the urging of the IAC as well as the user groups, Thurston County has been evaluating the merits and costs of reopening the ORV Sports Park. As part of that evaluation, the County has prepared a budget for what they feel is needed to responsibly manage the park. A decision to reopen has not yet been made by the County. The County's decision is contingent on several decisions to be made by the

IAC on funding, grant processes, and several other issues that have potential policy implications for the other ORV sports parks as well as other IAC grant programs.

Policy Issues or ramifications for review by the IAC:

- Should the IAC raise or remove the current \$200,000 per ORV sports park biennium funding limit for NOVA M&O grants?
- What is an appropriate level of NOVA funding for ORV sports parks?
- Does the NOVA program have a responsibility to assist with rising liability insurance costs for these unique park facilities?
- Does the unique nature of these facilities warrant extending the NOVA grant period from the current one or two year grant to a four-year period or longer?
- For this type of unique statewide facility, should the NOVA program consider a non-competitive grant process for M&O grants and/or for capital grants? What impact might a decision modifying the competitive process or length of grants have on other NOVA funding proposals?
- How should the IAC address the conversion or obsolescence of such a facility, when the costs of upkeep and maintenance, especially liability insurance, may not warrant continued investment?
- What impact might a decision on the Thurston County ORV Sports Park have on the funding for the other ORV sports parks?
- What impact, if any, would a decision to not continue funding the Thurston County ORV Sports Park have on the County's previous grant obligations, in this and other grant programs?

Background:

Property Description:

The Thurston County ORV Park is a 150-acre site located along State Highway 8, west of Olympia. Approximately 75 acres are located in Thurston County and 75 acres in Grays Harbor County. The majority of the ORV recreation facilities are located in Thurston County, however, the ORV flat track and the newly constructed storm water retention facilities are located in Grays Harbor County. The sports park abuts the DNR managed Capitol State Forest and provides additional trailhead access to that area for ORV recreation. Attachment A shows the development site plan for the ORV Park.

Property Acquisition:

The property was acquired at the request of Thurston County with the assistance of Washington State All-Terrain Vehicle (ATV) fuel tax revenues and vehicle permit fees. The ATV program was the predecessor to the ORV Program (1978) and the NOVA Program (1986). Based on a 1979 ATV Account *Financial Report*, Thurston County received \$450,937 and Grays Harbor County received \$350,678 from the ATV Account for the original acquisition, development, and management of the facility.

ORV Sports Park Facilities:

Prior to acquisition by the Counties, the property had been developed by a private operator as an ORV facility. Currently the ORV sports park includes:

- 4x4 track
- Caretakers residence
- Campground
- Concession stand
- Fencing
- Flat track
- Grandstand
- Meeting hall
- Motocross track
- Parking
- Playground
- Maintenance buildings
- Restroom facilities
- Sand drag strip
- Storm water facilities

ORV Use at the Facilities:

In 2001, Thurston County held 24 events at the ORV Park. In 2002, Thurston County reported 26 events. The type of events held at the facility include: ATV safety classes, motocross races, 4x4 play-days, flat track activities, go-karts races, special events (equipment demos), trail events (poker run and rally), etc. The tables below show the park use and revenues during the 2002 season.

Park Use (April 1st – October 30th)	
Event spectators	5,758
Event participants	7,912
Day users	10,896
Campers	8,343
Total Use	32,909

Revenue (April 1st – October 30th)	
Day use practice fees	\$87,168
Camping	\$19,752
Concession	\$22,938
Events	\$56,811
Total Revenue	\$168,669

Park Operation and Management:

The ORV sports park has been operated and maintained by the Thurston County Parks and Recreation Department since the late 1970's. Thurston County and Grays Harbor County have an Intergovernmental Agreement that governs their relative responsibilities with the ORV Park. The agreement was last updated on December 15, 1981. Key elements of the agreement include:

- Thurston County will operate and maintain the facility.
- Title to the real property and all improvements constructed shall vest in the county in which they are located.
- Grays Harbor County could sponsor up to 50% of the events at the ORV Park.
- Each October, Thurston County is to develop a preliminary budget for the ORV Park and forward that budget to Grays Harbor County for review and recommendations.

Attachment B shows all the M&O grants that Thurston County has received from the IAC since 1978. In summary, Thurston County received seventeen ORV M&O grants with a total value of \$2,790,041. Capital equipment such as trucks, mowers, and earth moving equipment can be purchased with ORV M&O dollars. The County currently has approximately \$100,000 of capital equipment in its inventory that was purchased with ORV fund assistance. Typical M&O costs include: salaries and benefits, insurance, utilities, equipment use, equipment repair, supplies, rentals, capital equipment purchases, etc. Grays Harbor County has never applied for M&O grants.

Park Capital Development:

Attachment C shows all the Capital Development grants that Thurston County has received from the IAC since 1978. (Grays Harbor County has not applied for Capital Development grants.) In summary, Thurston County has received fourteen ORV Capital Development grants from IAC with a total value of \$1,675,229. A large portion of the development funds went into renovating the facilities in place in the 1970's rather constructing new facilities.

Contractual obligations between IAC and Thurston County

Twelve of the fourteen Project Agreements signed by IAC and Thurston County for capital development grants include contractual language that restricts conversions of use of the facility or closure of the facility.

- Nine of the fourteen Project Agreements allow Thurston County to close or convert the site to other uses if approved by IAC, as long as any revenues resulting from the conversion revert back to IAC.
- Two of the fourteen Agreements had no restrictions on conversions or closures.
- Three of the fourteen Agreements require Thurston County (if approved by IAC) to replace any converted or loss opportunities with other similar opportunities.

Proposal by Thurston County

On March 2, IAC received a letter dated 2/27/04 from the Thurston County Commissioners expressing their desired conditions for operating the ORV Sports Park. A copy of the letter and its attachments is enclosed as Attachment D.

Summary of the County's proposal:

1. IAC will provide an ongoing guarantee of non-competitive funds for M&O and development funds.
2. NOVA grant funds (and event revenue) will cover any and all operating costs, including but not limited to:
 - Costs associated with risk management
 - Costs for noise abatement and safety compliance
 - Cost to repair and replace existing facilities
 - Funds sufficient to carry a 10% annual fund balance
3. NOVA grants will provide funding for capital development as outlined in the ORV Park Master Plan.
4. NOVA grants will fund a noise mitigation study and noise abatement improvements.
5. IAC will agree to depreciate the value of capital improvements funded by NOVA and predecessor programs for purposes of calculating reimbursements required as a result of facility closure or conversion.
6. IAC will, pursuant to an existing grant, reimburse the Thurston County for the storm water improvements completed, as well as the second phase of those improvements.
7. IAC will, pursuant to an existing grant, reimburse the Thurston County the remaining \$5,000 for the ORV Park Master Plan once the Commissioners have adopted the Plan.

Thurston County's five-year funding request – New Dollars

M&O	\$973,038
Capital	\$620,582
Total	\$1,593,620

Available ORV Funding

Our current projections suggest that the NOVA program would have approximately \$3,400,000 to \$3,700,000 available next biennium (2005-07) and each biennium thereafter for all ORV projects. This includes funds based on the recent passage of HB2489 and HB291, but does not include possible future increases if the "5¢" fuel tax restriction is removed.

For the remaining fiscal year of the current biennium (2003-05), approximately \$2.3 million is likely to be available for ORV projects.

Preliminary Options for IAC consideration:

There appears to be three primary approaches for possible resolution of the issues:

- Approve funding and funding processes for the Park that are acceptable to Thurston County
- Discontinue NOVA program support for the Thurston County ORV Sports Park and work with Thurston and Grays Harbor Counties to close the facility.
- Discontinue NOVA support for the Thurston County ORV Sports Park and work with Thurston County and Grays Harbor County to *convert* the facility to a mutually agreeable recreational alternative.

Each primary option has several possible variations which could be explored in greater detail. Each of the likely approaches is set out below, with a preliminary assessment of pros and cons. Constituents are still reviewing the County's 2/27/04 letter, and there has not been sufficient time to gather extensive comment or input on either the County's proposal or the preliminary options presented below. For that reason, the items are presented as discussion options rather than as recommendations at this time.

This memo will be circulated to the NOVA Advisory Committee simultaneously with the mailing to the IAC Board, and will also be posted on IAC's website. At the April 2 meeting, staff will present all comments received, and we anticipate that there will be public testimony offered as well.

Option 1 – Approve Funding and Funding Processes that will be acceptable to Thurston County

Option 1a: Approve the proposal as presented by Thurston County for a five-year period through October 30, 2009. This proposal would reopen the park for organized events only. IAC would approve NOVA Project Agreements for Thurston County to allow it to open and manage the ORV Park for the next five years. IAC would require Thurston County to commit to keeping the facility open for this five-year period. IAC would work with Thurston County to determine which facilities should be declared obsolete and/or should be depreciated for the purposes of calculating reimbursements required in the event of facility closure or conversion at the end of the five-year period. By October 1, 2007, Thurston County would submit a new five-year budget request to IAC for funding consideration.

Cost of Option 1a: \$1,600,000 in funding from a combination of NOVA E&E, NOVA ORV M&O, and NOVA ORV Capital Project Agreements. This amount is new money only, and does not include reimbursements under existing grants.

Pros	Cons
1. Greater likelihood that Thurston County would reopen the ORV Park to ORV competitive use, meeting the high need for ORV recreation in western Washington.	1. No guarantee that Thurston County will reopen the Park nor has Thurston County committed to long-term management of the facility even if IAC approves funding.
2. The NOVA program currently has the funding capacity to fund the five-year proposal.	2. Precedent created by authorizing a non-competitive grant process for both NOVA M&O grants and development grants.
3. Recognizes costs of liability insurance for high risk recreational activities may be increasing. Supports increased law enforcement presence at these types of recreational facilities.	3. Requires raising or removing the \$100,000 per year limit for M&O projects as approved in the NOVA Plan. This could set a precedent for funding the other two ORV sports parks.
4. Will help keep open a facility that has received approximately \$5 million in state funding since 1977.	4. Proposal does not provide day-use recreational opportunities – which may be the bulk of desired uses.
5. Both motorized and non-motorized recreationists support ORV parks.	5. Does not require Thurston County to invest in this facility.
	6. May have policy or funding implications for other IAC funded projects.
	7. Proposal involves unknown costs for sound mitigation.

Option 1b: Approve the Proposal as presented by Thurston County for a five-year period through October 30, 2009, with the following modifications: provide up to \$50,000 additional funding each year for the County to acquire insurance sufficient to keep the facility open for day-use recreation, in addition to organized events.

Option 1c: Approve the Proposal as presented by Thurston County for a five-year period through October 30, 2009, with the following modifications: provide five years of guaranteed funding for M&O and two years of funding for capital development grants. This would require the County to compete for capital development grants starting in 2006. This option would re-open the Park for organized events only.

Option 1d: Approve the Proposal as presented by Thurston County for a five-year period through October 30, 2009, with the following modifications: provide five years of guaranteed funding for M&O and two years of funding for capital development grants. This would require the County to compete for development grants starting in 2006. Also provide up to \$50,000 additional funding each year for the County to acquire insurance sufficient to keep the facility open for day-use recreation, in addition to organized events.

Option 2 – Discontinue NOVA program support for the Thurston County ORV Sports Park and work with Thurston and Grays Harbor Counties to CLOSE the park.

IAC, Thurston County, and Grays Harbor County would work cooperatively to resolve all issues related to permanently closing the ORV Park facility. This would include:

- Determine which facilities should be declared obsolete and/or could be depreciated for the purposes of calculating reimbursements required as a result of facility closure and/or conversion.
- Determine what can and should happen to the land.
- Following IAC's regular Equipment Liquidation Policy, Thurston County would compensate the NOVA fund for all capital equipment purchased by the county for the ORV Park.
- Determine whether the unpaid costs related to existing ORV Park grants should offset any amounts owed to the NOVA program. (e.g., stormwater facility @ \$121,457; master plan @ \$5,000)

Pros	Cons
1. Keeps the issue out of the judicial system and may therefore reduce and/or avoid legal costs.	1. Western Washington loses its only ORV Sports Park.
2. Does not reimburse Thurston County \$126,457.	2. It may not be possible for all parties to agree on an equitable solution.
3. Should put approximately \$200,000 back into the NOVA ORV account (does not include any value associated with the land).	3. There are many unanswered questions regarding the ATV funds that were used to purchase the property.
	4. Resolution of all issues may take years.
	5. Numerous complex policy issues are involved – conversion, obsolescence, etc.
	6. Has implications with regard to the other ORV Parks and other sponsors that have received funding from IAC.

Option 3 – Discontinue NOVA support for the Thurston County ORV Sports Park and work with Thurston County and Grays Harbor County to CONVERT the park to a mutually agreeable recreational alternative.

Under this approach, the parties would work to ensure the property is open and available to public outdoor recreation use – seasonally and/or year-round. The managing agency would have to provide, at minimum, parking for ORV recreationists using the ORV trail system in the adjacent Capitol State Forest.

The parties would continue to work with to determine whether the conversion requires any reimbursements, and / or, consider whether conversion issues could be resolved by imposing ineligibility for Thurston County to participate in all IAC grant programs for some period of time.

In any event, Thurston County and/or Grays Harbor County would have to reimburse the NOVA Program for the fair-market value of the land if the site is ever closed entirely to ORV use. The parties would also need to determine whether the unpaid costs related to existing ORV Park grants should off-set any amounts owed the IAC. (e.g., stormwater facility @ \$121,457; ORV master plan @ \$5,000)

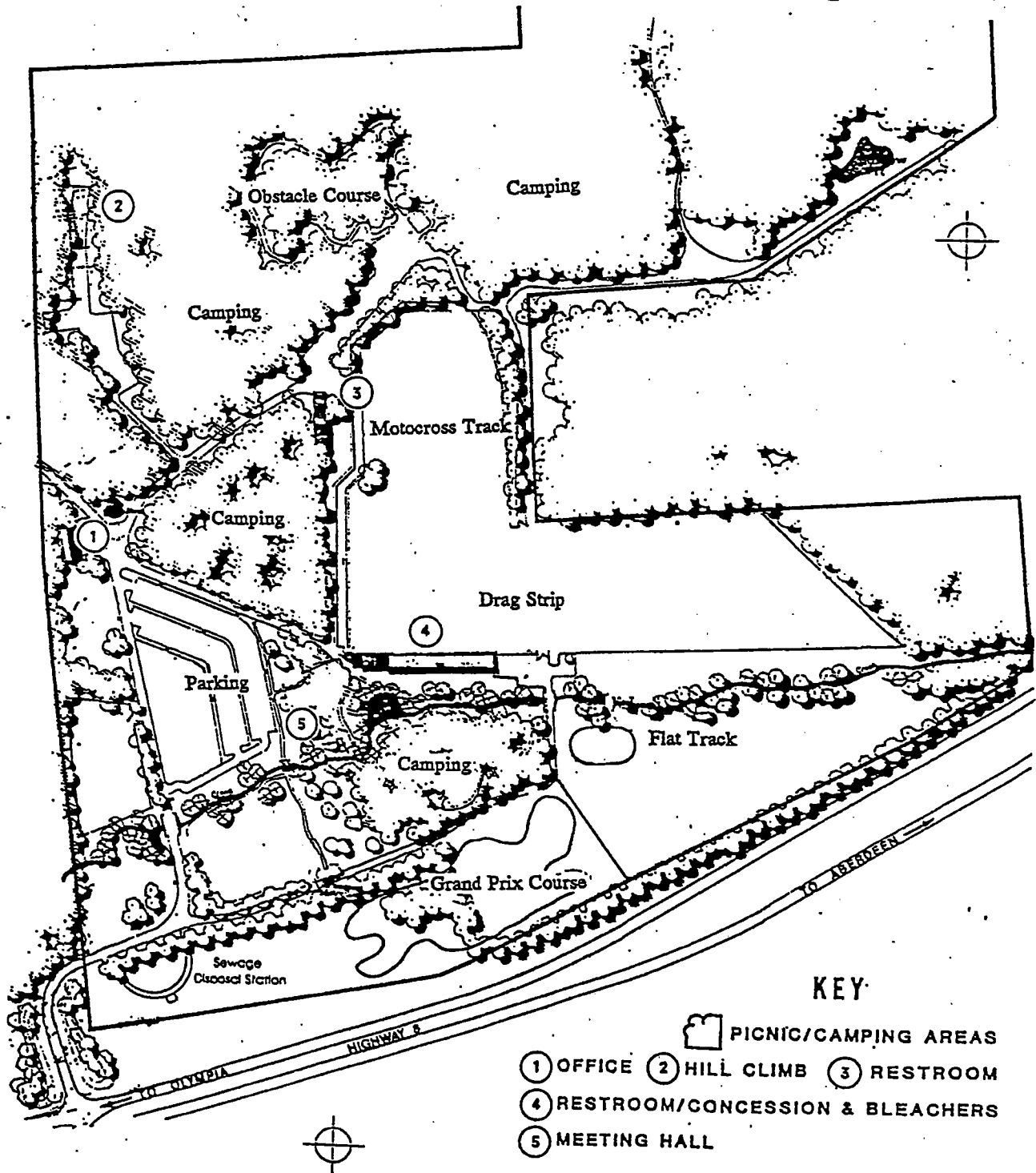
Option 3a: Keeps the park in a use consistent with the NOVA Program. That is, the park would continue to serve the recreationists that contribute to the NOVA Program, including: off-road vehicle recreationists, hikers, equestrians, mountain bike riders, hunters, sightseers, wildlife viewers, and other users of nonhighway roads.

Pros	Cons
1. Facility can still provide opportunities for NOVA related activities – camping, sightseeing, wildlife viewing, ORV use, hiking, mountain biking, horseback riding, etc.	1. Facility may provide only minimal benefit to ORV recreationists, and none to ORV recreationists seeking the specific experience provided in a sports park, e.g., flat-track, etc.
2. At a minimum, the facility would provide parking for ORV trail users.	2. Western Washington loses its only ORV Sports Park.
3. Keeps 150 acres of recreational land available to public use.	3. May set inappropriate precedence.
4. Provides a facility that helps support recreational use of DNR trails in Capitol State Forest.	

Option 3b: Keep the park in recreational use, but for more general park uses, not specifically for recreation types funded under NOVA.

Pros	Cons
1. Keeps 150 acres of recreational land available for public use.	1. Approximately \$5 million in ORV funding has gone into the facility since 1978.
2. Recognizes unique nature of this facility and its funding history.	2. Facility may provide only minimal benefit to ORV recreationists.
	3. Western Washington loses its only ORV Sports Park.
	4. Establishes an adverse precedent.

We look forward to discussing these approaches at the April meeting.



Project Funding By Program Projects In All Statuses

Project #	Primary Sponsor	Project Name	Status	Mgr	This Program Amt	Other Program Amt	Sponsor Amt	Total Amt
Program: NOVA - ORV								
17 Projects								
78-9002 M	Thurston County Parks & Rec	Thurston County ORV Sports Park	Closed Comp	Scott	350,703		25,000	375,703
80-064 M	Thurston County Parks & Rec	ORV Sports Park Maintenance & Oper.	Closed Comp	Scott	123,481			123,481
82-028 M	Thurston County Parks & Rec	Thurston County ORV Sports Park M&O	Closed Comp	Scott	125,000			125,000
83-9010 M	Thurston County Parks & Rec	ORV Sports Park Maintenance & Oper.	Closed Comp	Scott	134,000			134,000
84-018 M	Thurston County Parks & Rec	Thurston Co. ORV Sports Park M&O	Closed Comp	Scott	121,764			121,764
85-028 M	Thurston County Parks & Rec	Thurston Co. ORV Sports Park M&O	Closed Comp	Scott	147,597			147,597
86-038 M	Thurston County Parks & Rec	ORV Sports Park M&O 87-88	Closed Comp	Scott	299,647			299,647
88-9013 M	Thurston County Parks & Rec	ORV Sports Park M&O	Closed Comp	Scott	208,691			208,691
91-003 M	Thurston County Parks & Rec	ORV Sports Park M&O	Closed Comp	Scott	71,389		59,211	130,599
92-032 M	Thurston County Parks & Rec	Thurston Co. ORV Sports Park Maint. & O	Closed Comp	Scott	64,108		22,524	86,632
92-225 M	Thurston County Parks & Rec	ORV Sports Park M & O	Closed Comp	Scott	77,188		41,563	118,750
93-010 M	Thurston County Parks & Rec	ORV Sports Park M & O	Closed Comp	Scott	81,236		72,708	153,944
94-021 M	Thurston County Parks & Rec	ORV Sports Park Maintenance & Oper.	Closed Comp	Scott	236,324		173,800	410,124
97-056 M	Thurston County Parks & Rec	ORV Sports Park M&O	Closed Comp	Scott	233,914		143,000	376,914
97-1186 M	Thurston County Parks & Rec	Thurston Co. ORV Park M&O	Closed Comp	Scott	115,000		81,460	196,460
99-1267 M	Thurston County Parks & Rec	ORV Sports Park Maintenance & Operati	Closed Comp	Scott	200,000		180,000	380,000
01-1166 M	Thurston County Parks & Rec	ORV Sports Park M&O Project	Active	Scott	200,000		220,000	420,000
NOVA - ORV Total:					2,790,041		1,019,265	3,809,306
Grand Total:					2,790,041		1,019,265	3,809,306

Project Funding By Program Projects In Funded Status Group(s)

Project #	Primary Sponsor	Project Name	This Program Amt	Other Program Amt	Sponsor Amt	Total Amt
Program: NOVA - ORV						
14 Projects						
78-7002 D	Thurston County Parks & Rec	Thurston County ORV Park	245,064		112,949	358,013
80-058 D	Thurston County Parks & Rec	Thurston Co. ORV Sports Park	307,058			307,058
82-029 D	Thurston County Parks & Rec	Thurston County ORV Sports Park	28,839			28,839
83-9012 D	Thurston County Parks & Rec	Thurston Co. ORV Sports Park Furnishin	12,256			12,256
84-9019 D	Thurston County Parks & Rec	Thurston Co. ORV Sports Park #5	17,693			17,693
85-9029 D	Thurston County Parks & Rec	Thurston Co. ORV Sports Park #6	28,747			28,747
86-036 D	Thurston County Parks & Rec	Thurston Co. ORV Sports Park #7	45,529			45,529
87-011 D	Thurston County Parks & Rec	ORV Sports Park #8	28,326			28,326
88-001 D	Thurston County Parks & Rec	ORV Sports Park Track Renovation Proj	9,894			9,894
92-259 D	Thurston County Parks & Rec	ORV Sports Park	223,623		50,713	274,336
93-101 D	Thurston County Parks & Rec	Thurston Co. ORV Park Improvements	372,830		3,300	376,130
96-362 D	Thurston County Parks & Rec	ORV Sports Park Capital	156,022			156,022
98-1209 D	Thurston County Parks & Rec	Thurston County ORV Sports Park	35,000		6,313	41,313
01-1167 D	Thurston County Parks & Rec	ORV Sports Park Drainage Improvement	164,350			164,350
NOVA - ORV Total:			1,675,229		173,275	1,848,504
Grand Total:			1,675,229		173,275	1,848,504



Attachment D

COUNTY COMMISSIONERS
Cathy Wolfe
District One
Diane Oberquell
District Two
Robert N. Macleod
District Three

BOARD OF COUNTY COMMISSIONERS

February 27, 2004

Laura Eckert Johnson, Director
Interagency Committee for Outdoor Recreation
Office of the Interagency Committee
1111 Washington Street S.E.
Olympia, Washington 98504-0917

RECEIVED

MAR 02 2004

INTERAGENCY COMMITTEE
FOR OUTDOOR RECREATION

Subject: Thurston County Off-Road Vehicle Sports Park

Dear Ms. Johnson:

We would like to express our appreciation to the Interagency Committee for Outdoor Recreation (IAC) for making Ms. Kaleen Cottingham available to assist our two organizations in resolving the future of the Thurston County Off-Road Vehicle (ORV) Sports Park. Over the course of the past two months, we have reviewed the proposed ORV Sports Park Master Plan, five-year budget projections and risk management issues associated with reopening and operating the facility. As a result of this work, we have determined that the following conditions and commitments from the IAC are necessary in order to properly operate the Park:

1. The IAC acts to amend its policies to provide for an ongoing guarantee of non-competitive state funds to augment user revenues necessary to support ORV Park operations, facilities repair and replacements, and capital improvements.
2. The IAC commits to provide sufficient annual operating funds, on a non-competitive basis that, when combined with user fees will cover any and all operating expenses, including but not limited to those:
 - Associated with risk management;
 - Required for noise and safety compliance;
 - Needed to repair and replace existing facilities; and,
 - Sufficient to ensure a 10% annual ending fund balance in the County's ORV fund.

Table A, attached, provides estimates projected for operating the park for the next five years. Table B, attached, provides the budget from which Table A is derived.

3. The IAC commits to provide funding, on a non-competitive basis for capital improvements as outlined in the final adopted Thurston County ORV Sports Park Master Plan Update. Table A, attached provides estimates projected for capital improvement projects for the next five years. Attached notes for Table B itemize these capital projects.

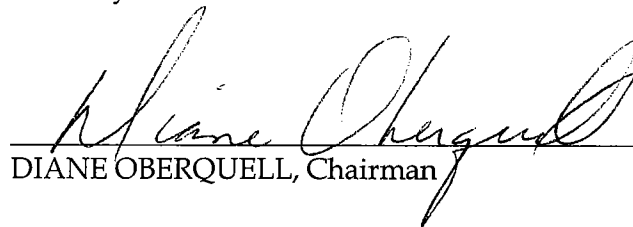


4. The IAC commits to fund a noise mitigation study and noise abatement improvements for the ORV Park. Estimated expenditures for the study have been included in proposed budget, however, estimates for implementation have not and will need to be factored into the five-year budget plan once known.
5. The IAC agrees to depreciate the value of capital improvements funded by IAC capital grants for purposes of calculating reimbursements required as a result of facility closure or conversion. Improvements found to be beyond their useful life will be declared obsolete. This applies to both past and future capital grant obligations.
6. The IAC agrees to fully reimburse Thurston County for required storm water improvements completed last year, as well as the second phase of such improvements required should the ORV Park be reopened. Both of these capital expenditures are included in the capital expenditures projected for 2004.
7. Upon adoption of the ORV Sports Park Master Plan Update, as amended by the Board of County Commissioners, the IAC will reimburse the County for its remaining grant commitment to this project. This reimbursement is assumed in the estimated capital grant revenue for 2004 in Table A.

We are anxious to resolve these matters quickly in order to determine if the ORV Park can be reopened for the 2004 season. Consequently we request that you review this proposal with the NOVA Advisory Board at their March 8, 2004 meeting, followed by the IAC at their April 1, 2004 meeting. Without an affirmative response from the IAC committing to support these requirements, Thurston County will be unable to financially justify reopening the ORV Park.

We look forward to hearing from you soon.

Sincerely,


DIANE OBERQUELL, Chairman

cc: Kaleen Cottingham
Bob Macleod, Vice-Chairman
Cathy Wolfe, Commissioner
Don Krupp, Chief Administrative Officer

Table A
Projected Five-Year IAC Grant Requirements

	2004	2005	2006	2007	2008
Operating	\$ 82,155	\$194,598	\$190,080	\$205,369	\$222,458
Capital	\$312,898	\$127,400	\$209,000	\$ 77,133	\$ 63,450
TOTAL	\$395,053	\$321,998	\$399,080	\$282,502	\$285,908

TABLE B - ORV PARK BUDGET FORECAST MODEL
FIVE-YEAR BUDGET PROJECTION

revised 2-26-04

	2004	2005	2006	2007	2008
Beginning fund balance	78,378	48,031	35,204	37,101	39,168
Revenues					
1.a IAC grant-support for operations	82,155	194,598	190,080	205,370	222,458
1.b IAC grants for capital projects	312,898	127,400	209,000	77,133	63,450
1.c Enterprise revenues: Fees, Rents, Sales	74,649	143,699	181,779	187,232	192,849
1.d Interest earnings	1,400	915	1,052	1,150	1,210
1.e Total revenues	471,102	466,612	581,911	470,885	479,967
Expenditures					
2.a Wages/benefits: 1.5 FTE ORV Park staff	57,821	72,681	76,133	79,749	83,538
2.b Extra help, operations & concessions	43,482	45,547	47,711	49,977	52,351
2.c Extra help, law enforcement	13,872	14,531	15,221	15,944	16,701
2.d Mngt support, reimbursement to Parks Dept	25,000	25,625	26,266	26,922	27,595
2.e Insurance coverage costs	12,000	57,500	66,125	76,044	87,450
2.f All other non-personnel ORV Park operations costs	162,833	136,154	139,558	143,048	146,623
2.g Operations expenditures	315,008	352,038	371,014	391,685	414,259
2.h Capital expenditures	186,441	127,400	209,000	77,133	63,450
Total expenditures	501,449	479,438	580,014	468,818	477,709
Target ending fund balance	31,501	35,204	37,101	39,168	41,426
Projected ending fund balance	48,031	35,204	37,101	39,168	41,426

Notes from Table B

- Line 1.a:** Annual IAC operating grants are based upon grant support necessary to maintain a 10% ending fund balance in Thurston County's ORV fund.
- Line 1.b:** Annual capital grants assume the following projects to be funded:
- 2004:** \$121,457 Phase I storm water improvements reimbursement
\$ 42,842 Phase II required storm water improvements
\$ 53,000 Vandalism repairs
\$ 81,399 Perimeter and interior fencing – ORV Master Plan
\$ 9,200 On-site signage – ORV Master Plan
\$ 5,000 Master Plan reimbursement – ORV Master Plan
 - 2005:** \$ 41,400 Roads and gates improvements – ORV Master Plan
\$ 86,000 Soils treatment
 - 2006:** \$209,000 Tracks separation and layout – ORV Master Plan
 - 2007:** \$ 63,563 Parking area improvements – ORV Master Plan
\$ 13,570 ORV wash-station – ORV Master Plan
 - 2008:** \$ 63,450 Activities center building – ORV Master Plan
- Line 1.c:** Enterprise revenues assume risk management obligations limits Park use to organized ORV events, beginning in 2005. Revenues here assume a 20% fee increase, effective 2004 and another 10% increase, effective 2006.
- Line 2.d:** Estimate for Parks Department management overhead based upon 50% of annual average of actual past management overhead costs.
- Line 2.e:** Assumes Washington Counties Risk Pool will continue to insure through 2004 season, but separate insurance will be required beginning 2005.
- Line 2.f:** Non-personnel ORV Park operations costs is based upon historical practice and updated from 2002. These include supplies, minor equipment, communications, leases and professional services. 2004 professional services include a one-time expense of \$30,000 for a noise mitigation study. Table C, attached details these expenditure estimates.

TABLE C - ORV PARK Budget Forecast
Supporting Details, Non-Personnel Expenditures

revised 2-26-04

NON-PERSONNEL Expenditures		2002 actual	2004	2005	2006	2007	2008
Supplies	18,305		19,221	19,701	20,194	20,699	21,216
Items purchased for resale (concessions)	8,644		9,076	9,303	9,535	9,774	10,018
Minor equipment	3,406		3,576	3,666	3,757	3,851	3,948
Telephone	1,822		1,913	1,961	2,010	2,061	2,112
Advertising	702		737	755	774	793	813
Repairs and maintenance	272		286	293	300	308	315
Travel/training	140		147	151	154	158	162
Rentals, leases	18,675		19,608	20,098	20,601	21,116	21,644
Professional services	11,950		42,547	12,861	13,183	13,512	13,850
Utilities	12,436		13,058	13,385	13,719	14,062	14,414
InterFund: lab charges	690		725	743	761	780	800
InterFund: advertising	232		243	249	255	262	268
InterFund: building dept	180		189	194	199	204	209
InterFund: mailroom services	399		418	429	440	451	462
InterFund: postage	1,483		1,558	1,597	1,637	1,677	1,719
InterFund: communication services	71		74	76	78	80	82
InterFund: supplies	432		454	465	477	489	501
InterFund: central stores	1,263		1,326	1,360	1,394	1,428	1,464
InterFund: Central Services	4,132		4,339	4,447	4,558	4,672	4,789
InterFund: miscellaneous	278		292	300	307	315	323
InterFund: ER/R	40,996		43,046	44,122	45,225	46,357	47,515
subtotal, non-personnel	126,507		162,833	136,154	139,558	143,048	146,623

Note: ORV Park's expenditures for InterFund:ER/R are in connection with the maintenance and operation of these equipment items:

2 Pick-up Trucks

1 Tractor/Mower (front deck)

1 Backhoe

1 Bulldozer

1 Dump Truck

1 Water Tanker Truck

1 Equipment Trailer

In the 2004-2008 forecast, an annual inflation factor of 2.5% is applied to each of the non-personnel line-items, above.